

MINUTES

MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON AGRICULTURE, LIVESTOCK AND IRRIGATION

Call to Order: By **CHAIRMAN RIC HOLDEN**, on January 24, 2001 at
3:00 P.M., in Room 422, Capitol.

ROLL CALL

Members Present:

Sen. Ric Holden, Chairman (R)
Sen. Pete Ekegren, Vice Chairman (R)
Sen. Mike Halligan (D)
Sen. Greg Jergeson (D)
Sen. Linda Nelson (D)
Sen. Gerald Pease (D)
Sen. Corey Stapleton (R)
Sen. Jon Tester (D)
Sen. Tom Zook (R)

Members Excused: Sen. Walter McNutt (R)
Sen. Arnie Mohl (R)

Members Absent: None.

Staff Present: Laramie Cumley, Committee Secretary
Doug Sternberg, Legislative Services

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 115 1/10/01
Executive Action: SJ 4, SB 200, SB 115

Acting Chairman, SEN. PETE EKEGREN, SD 44, Choteau

HEARING ON SB 115

Sponsor: SEN. RIC HOLDEN, SD 1, Glendive

Proponents: Montana Wool Growers Association
Bob Stephens, Montana Grain Growers Association
Lorna Karn, Montana Farm Bureau and Montana
Stockgrowers Association
Jim Currie, Montana Department of Transportation
Art Loendorf, Montana Farmers Union

Opponents: none

Opening Statement by Sponsor: SEN. RIC HOLDEN, SD 1, Glendive, testified that this bill will end the many years of discussion on fuel tax refund for fuel used off of the highways. Four years ago discussion began regarding the fuel tax refund process, the yearly agriculture income received and their relationship. Last session a bill was put in place which dealt with a sliding scale for these agriculture refunds. This sliding scale was presented to the committee and discussed. **EXHIBIT(ags19a01)** Governor **Racicot** appointed an advisory board to study this issue and a sunset provision was placed on the bill last session. The new bill removes the sunset provision.

Proponents' Testimony: SEN. HOLDEN presented a letter of support from **Montana Wool Growers Association**. **EXHIBIT(ags19a02)**

Bob Stephens, Montana Grain Growers Association, testified in favor of SB 115 and was also a member of the advisory board.

Jim Currie, Deputy Director, Montana Department of Transportation, supported this bill and clarifications of agriculture income and tax refund process.

Lorna Karn, Montana Farm Bureau, and Montana Stockgrowers Association, stated that both organizations supported SB 115 to remove sunset provision.

Art Loendorf, Montana Farmers Union, also supported this bill.

Opponents' Testimony: none.

Questions from Committee Members and Responses:

SEN. GREG JERGESON asked for clarification on secondary income requirements and qualifications. **SEN. HOLDEN** replied that there indeed was review of these issues although there was not the support needed to make this any more detailed than a sliding scale system.

SEN. JERGESON redirected his question to the Department of Transportation. **Mr. Currie** explained that this provided a clarification of the definition of agriculture income. This better defined such income and provided the sliding scale so a secondary income that was not agriculture-related could still be excluded. Previously, incomes such as leasing or a second job were included.

SEN. JON TESTER asked for clarification on 100% refunds. **SEN. HOLDEN** noted that if the proper forms along with the all of the receipts and other required documents were sent in, a 100% refund would be awarded or this bill would allow someone to participate under the sliding scale.

Closing by Sponsor: **SEN. HOLDEN** closed on SB 115

EXECUTIVE ACTION ON SJ 4

Amendments were presented by **Doug Sternberg** and discussed by the committee. **EXHIBIT**(ags19a03)

Motion/Vote: **SEN. HALLIGAN** moved that **AMENDMENTS BE ADOPTED**.
Motion carried unanimously.

Motion/Vote: **SEN. ZOOK** moved that **SJ 4 DO PASS AS AMENDED**. **Motion carried unanimously.**

EXECUTIVE ACTION ON SB 200

Doug Sternberg discussed the liability of weed boards and the effects of the language "political subdivision" in this bill.

SEN. HALLIGAN inquired about liability issues and whether or not the county or the weed board would be responsible for any disasters.

SEN. COREY STAPLETON reassured the committee that **SEN. MIKE TAYLOR** was going to find the information for the committee.

SEN. TOM ZOOK spoke of concerns involving those farmers whose crops may be damaged by a weed district's negligence. **SEN. HALLIGAN** commented that the weather cannot be controlled and in this case the new language would allow the weed board to be sued as an entity.

Motion/Vote: **SEN. ZOOK** moved that **SB 200 BE TABLED**. **Motion carried unanimously.**

EXECUTIVE ACTION ON SB 115

Motion/Vote: **SEN. ZOOK** moved that **SB 115 DO PASS**. **Motion carried unanimously.**

ADJOURNMENT

Adjournment: 3:30 P.M.

SEN. RIC HOLDEN, Chairman

LARAMIE CUMLEY, Secretary

RH/LC

EXHIBIT (ags19aad)